[113 cont.]
396 forests (4). The boat-building industry itself also flourished there; 1
[000] 4. Dalrymple, p. 153.

a chief is mentioned as a great boat-builder (5). After the

5. Gaimard in D'Urville, pp. 332, 334. Dewar, p. 248, mentions boat-building on Ndeni.

[177] catastrophe of La Pérouse, which dumped large quantities of ironwork into the laps of the natives there, there was a decline in
[438 439] the industry of the island, which thereafter obtained almost all its needs in industrial products from the neighboring islands in exchange for iron (6).

6. D'Urville, p. 196.

437 Trade is everywhere a vital concern of the inhabitants. They always sailed out to meet European travelers with coconuts,
[439] yams, etc., pigs, chickens, pigeons, arrows, mats, boat models or toy boats, and other things, in order to initiate trade (7). Yet

7. Labillardière, p. 251. Dillon, p. 293. Wilson, p. 295. Markham, p. 159. Coote, pp. 151, 153, 159. Dewar, p. 246. According to Dillon, p. 264, the women, in their own boats, also took part in this trade.

they are difficult to deal with. The Vanikorese had scarcely been provided with a certain amount of European necessities by
● [435] Dillon when they demanded exorbitant prices for all provisions from the subsequent expedition of D'Urville (8). On Ndeni Dewar

8. D'Urville, p. 145 and elsewhere.

1 [i.e., on Vanikoro -- Analyst.]

3:Davenport 2-5 (1958-1960)1962
ON13 Santa Cruz ON13

[p 95 (B)]

436 One of the most exotic kinds of money in the world today is a belt two inches wide and 30 feet long made of glue, fibers and feathers, particularly the downy red feathers [237] plucked from the breast, head and back [825] of a tropical forest bird. The red-feather currency of the Santa Cruz Islands of the southwest Pacific nonetheless fits the most rigorous definition of [556] the term "money." It serves as a means of accumulating wealth and as a universal medium of exchange in the highly diversified commerce that flows among these islands. The currency itself is fully interchangeable, each belt having a precisely negotiable value in terms of other [177] belts. Against the recent invasion of the Australian pound, moreover, the red-[583] feather money has kept its integrity. It is still the only acceptable specie for the purchase of brides, fine pigs and certain forms of labor.

121 436 This improbable currency demonstrates that the use of money is not an economic sophistication limited to high civilizations. Many, but by no means all, primitive peoples have devised moneys of their own. Although the forms of the currencies are as diverse as any of man's inventions—running the gamut of animal, vegetable and mineral matter in the live, raw and processed states—the maintenance of these so-called primitive monetary systems requires the balancing of the same equation of supply and demand that confronts the U.S. Treasury and the Federal Reserve System.

●435 436 121 If a currency is to serve as a common denominator of value, its value in turn must be carefully regulated. This is one of the most delicate operations in the management of a modern state. It involves adjustment of the demand for as well as supply of money, achieved by control over both the flow and the production of the currency. To a certain ex-

3:Davenport E-6 (1958-1960)1962
ON13 Santa Cruz ON13

[795(c)]

435 tent, especially for purposes of international exchange, the Western capitalist
436 economies still refer their currencies to
121 the value of gold on the world market. But in the main it is the scope of the modern state's authority and the extent of its jurisdiction that effectively fix the value of its currency.

Lacking the power to regulate demand (by such devices as manipulation of the interest rate), primitive societies must rely on measures that control the supply of currency against the demand in their completely free markets. Frequently the supply is limited by natural or social circumstances beyond the control of its users, much as the scarcity of gold or silver once set the value of the dollar or the pound. Often, however, the nature of the currency is such that the society could "mint" it without limit. Scarcity is then maintained by some convention that, through consumption, destruction or deterioration, renders the currency valueless and withdraws it from circulation.

The red-feather currency system shows both principles in operation. The supply of new money is regulated by the availability of the red feathers and by the output of the hunters and artisans who make the money; old currency goes out of circulation because it loses value
436 as its color fades. Produced by the natives of Santa Cruz Island itself, the red-feather currency circulates throughout most of the islands in the group. In
[631] these islands, where the indigenous political organization has never extended beyond a single village, it functions as international currency, the common medium of exchange among peoples who speak different languages and live in contrasting ecological settings.

131 The Santa Cruz Islands, part of the
[648] British Solomon Islands Protectorate,

463 to be more lucrative than another. The
[287] specialists plying each trade compete
[477] with one another, and the hereditary lines in each occupation are sufficiently numerous and dispersed so that no individual or small group can easily obtain a monopoly or control over the market.

436 Feather currency has absolutely no other use than as a medium of exchange, a standard of value and a store of wealth. It is not worn or displayed. In other words, it has no inherent usefulness; it is a true money. Yet it is produced and circulated in a free market, controlled only by supply and demand and by the principle of devaluation over
[458] time. Inflation is avoided, in spite of the constant issuance of new money, by the depreciation and withdrawal from circulation of old money.

435 The size and richness of color of a
436 new piece of currency determine its original value. These two criteria are reducible to the number of birds and the amount of labor that go into its manufacture. In addition to the down of 300 birds, the average piece embodies 500 or 600 man-hours of work by the three specialists. But the width and sometimes the length of a belt can vary. And the red hue can be more or less saturated depending on how much down was used or the extent to which the less admired orange feathers were discarded.

Depreciation comes with time from damage by vermin and molds as well as from the wear and tear of handling. Great care is taken to protect the currency. The double coils are wrapped tightly, first in a dried fan-palm leaf and then in many layers of bark cloth. Looking more like a bundle of rags than something of value, the coils are stored on a shelf under which the household fire is kept smoldering. The heat inhibits molds, the smoke keeps insects and other vermin away and the wrappings protect the money from smoke damage. In spite of these precautions, each piece of currency eventually deteriorates. When the last bit of color disappears, the belt is discarded.

The value of most currencies is referred ultimately to some standard; in the Santa Cruz Islands the standard is the unseemly combination of pigs and
[583] marriage payments. The minimum payment made to the bride's family by the groom's kin at marriage—the bride price—always consists of 10 units of currency graduated in value from a new or nearly perfect No. 1 ("bottom") piece to a No. 10 ("top") piece, which is just above the threshold of no value. The

3:Davenport E-5 (1958-1960)1982
CH13 Santa Cruz CH13

435
436
[583]

negotiation of a bride price calls for a session of formalized bargaining, involving the close examination of each coil of currency. Everyone concerned has a clear idea of the range of quality appropriate to each of the 10 units. Thus the bride price supplies not only a basic standard for the value of feather money but also a scale of ideal images in terms of which the "denomination" of any piece of currency can be expressed.

The progression is not arithmetic but geometric: each piece is worth twice as much as the one below it on the scale. If a "top" piece is given an arbitrary value of one, then a No. 6 piece is worth 16 and a "bottom" piece is worth 512. These values are not explicit. No one says that a piece *is* "worth 128" but all understand that an ideal No. 6 belt has a par value of two No. 7 belts. In the terminology of the pig standard, the pieces from No. 1 to No. 5 are called

[102(A)]

435 "porkers," because a pig suitable for a
436 feast can be bought with currencies in this range; pieces from No. 6 to No. 10 are called "sucklings," because they will buy only pigs too small to be eaten. Except for the negotiation of bride
437 prices, there is remarkably little haggling
[583] over the price of any purchase. The buyer of a pig or canoe or taro roots offers what he considers a fair amount of
[626] currency, and the seller accepts. If the seller feels he has been underpaid, he can seriously damage the buyer's reputation by gossiping about the transaction and refusing to deal with him again.

435 As in the purchase of a bride, certain
436 other purchases must be made with specified pieces of high value. The seller
[437] has no obligation to "make change," so currency is exchanged ahead of time.
[463] This can be done by anyone, but some men who are particularly adept at

[4102 (B)]

435 436 [463] money changing specialize in it and make a profit. These transactions take place before an informal gathering of witnesses in the men's clubhouse of a village, where the pieces of currency are draped over a horizontal bar for close comparison. Regardless of who has initiated the deal, the piece of greatest value (the "high piece") is hung over the center of the bar. Alongside it (and always in the direction of the Nembo River, a spring-fed stream symbolically associated with the currency spirits) is hung the "base piece," the most valuable of the belts to be exchanged for the high piece. On the other side is hung the "crown piece," the piece that makes up the difference in value between the base piece and the high piece. Values are matched in terms of the 10-point scale. For example, if the high piece is an average No. 6 and the base piece is a fine No. 7, a middling No. 7 may suffice as a crown. [776] [778]

In this manner the par value of the high piece is agreed on. But the price at which it now actually sells is something else again. Because high-value currency is scarcer than low-value currency, the owner of the high piece is a seller in a seller's market. The buyer (the owner of the base and crown pieces) must offer additional currency. It is not only that the high piece is newer; there are fewer new pieces in circulation. Hence market value is correlated to scarcity. The greater the par value of the high piece, the greater the spread between this value and the market price. (It is as though a $10 bill were worth a little more than two fives and a $20 bill worth more than two tens by a still larger margin.) It is the difficulty and expense of obtaining high-value pieces on the exchange market that ultimately leads a man to contract with the three currency specialists for a new piece.

438 Since all the feather currency originates on Santa Cruz Island, it must flow continually from its source to the Reef and Duff islands, where it is not manufactured. To maintain this one-way flow of currency the Reef Islanders have traditionally exported some of their women to Santa Cruz. Today the women go only as wives but once some went as concubines. Concubines were clearly distinguished from wives: they were shared by a group of men; they did no gardening or other domestic chores; having no dwelling of their own, they lived in the men's clubhouse. On the other hand, a concubine's possessors [595] [548]

[4 102(c)]

458 177 [435] quantity of Australian money within the Santa Cruz group has caused a precipitate fall in its value in terms of local goods. Once a shilling bought 10 pounds of native tobacco; now it buys half a pound. During the same period, in an [438] effort to increase copra production by [648] channeling more islanders into plantation work, the colonial administration has taken steps that tend to depress interisland and intervillage trade in domestic products. Less feather currency [287] is needed and less is being produced. At the moment there are only five men on Santa Cruz who bind currency, whereas a decade ago there were more [583] than a dozen. Yet marriages go on as before, and men still refuse to marry off their daughters without receiving the traditional red-feather payment. Indeed, there is no area of the islands' economy in which confidence in the feather currency has been shaken. The [465] craft and agricultural specialists still demand red-feather money for their best products.

With the value of feather currency rising as it becomes scarcer and that of Australian money dropping as it becomes more abundant, the market [436] price of feather currency in Australian pounds has increased nearly 20 times in the past 15 years. Although it is recognized that 25 Australian pounds is the appropriate par value for a new piece of feather money, it takes considerably more than that to induce the currency specialists to turn one out. This is, to [223] be sure, not true in the case of the bird [825] snarers. As a result of the decreased production of feather money, the *Myzomela cardinalis* population has been increasing; the snarers can take birds more easily and in more accessible places and they would be willing to work for the old rates. But the labor involved in mak- [287] ing platelets and binding new currency has not diminished. Like skilled artisans anywhere, the specialists in these processes prefer to charge more and work less. In pricing their labor they are mindful not only of today's high market but also of the fact that the value of their product in Australian money is likely to be even greater as time passes. As a result the production of feather currency has now fallen behind even the currently reduced demand. As the "bad" Australian money drives out the "good" red-feather currency in accordance with Gresham's law, a simple society in the South Seas is experiencing a monetary crisis familiar to many more sophisticated economies.

438 dant sandy areas where coconuts can be grown to feed them; taro production with a special type of soil; and types of arboriculture with rainfall zones and forestry cover.
[184] As implied by this individual and regional specialization, there is a complex system of trade through which these products are distributed. But this trade is far more than a means of conveying products of one area to another. It is a system in which all those who participate do so with the intention of making a profit. It is real commerce, and the
[556] wealth amassed in this way is expended in bride prices, maturation feasts, rituals, and entertainments through which the initiators and organizers derive prestige. In the familiar Melanesian pattern, prestige, wealth, and authority are but three aspects of the same thing, namely, the political system.

[436] While goods of many kinds flow in several directions, there are some goods which move only in specific directions, and which are basic to the entire system. One of these is feather currency, in terms of which all transactions are made. This is an all-purpose currency, and it is made only on Santa Cruz Island. Its manufacture demands the combined skills of three different hereditary specialists. The currency itself is a belt, six
436 fathoms long, about two inches wide, and made of feathers, fiber, and cord. The feathers
287 are the red down from the breast, head, and back of a small honeysucker *(Myzomela*
[825] *cardinalis)*. Catching these birds in the forest and plucking the down from them is one of the specialties. The second specialty consists of pasting the red down onto platelets or shingles made of ordinary wood pigeon *(Columba* sp.) feathers with the sticky sap taken
[824] from the fruit of the paper mulberry *(Broussonetia papyrifera)*. The third specialist binds these shingles onto a cord foundation to make the finished belt. A piece of finished currency has one surface of red down and an undersurface which shows only the binding. The feathered surface, made up of overlapping shingles, sometimes resembles the flexible scutes of a snake.

435 Feather currency is perishable, for it gets damaged and worn with use and by the
436 ravages of vermin, molds, and mildews. As it gets worn and damaged, it decreases in value and eventually becomes worthless. Thus, new currency must be fed into the system to replace that which is worn out and discarded. Feather currency is of absolutely no other use than as a medium of exchange, a standard of value, and as a means of storing wealth. It cannot be worn, it is not displayed, and it cannot be converted into any other usable form. From this it can be seen that it has all the properties of true money, yet it circulates as a commodity in a free market without regulation except for those forces created by supply and demand. Unlike our money, which we distinguish from commodities, feather currency has some of the properties of durable goods whose value depreciates over time. The original value of a piece of currency is determined by its size and the richness of its color when new. These criteria are reducible to the number of birds used and the amount of labor required for its construction. For an average piece today,
[287] about three hundred birds are necessary. The total labor required by all three specialties is roughly ten to eleven work weeks or about five hundred to six hundred and fifty man-hours. Depreciation of the currency is measured also by two criteria: the amount of red down worn off through handling and defects caused by insects and tropical growths. When the last bit of red disappears from the top surface, the currency becomes valueless and is thrown away.

In addition to the value as determined by the four criteria just mentioned, every piece of currency has its rarity value. This rarity value is always negotiated separately when currencies are exchanged, that is, when one piece is changed for two or more of lower value. The rarity value is an expression of how badly the purchaser of a highly valued piece wants it, and this, of course, is determined by its scarcity. It is a fact that the

higher the value of a piece of currency, the fewer there are; thus the rarity value increases with the value as determined by its condition. Translated in terms of our own money, it would be as if a ten-dollar bill was worth more than ten one-dollar bills because there are fewer of them in circulation. Unlike our money again, feather currency has no numerical units of value which permit easy and exact equivalencies to be made. Rather, the value of this exotic currency is not unlike that of precious gems, were they to be used as a medium of exchange. Each stone would be unique as to quality and size, and value could only be determined by recognized criteria of excellence plus the condition of the market.

Currency flows outward from its source throughout Santa Cruz Island and on to the Reef and Duff Islands in the north. These latter islands constitute areas of perennial shortage. Balancing this one-way flow of currency is a reverse movement of the most valuable commodity of all—women. The Reef Islands send out some of their women in exchange for bride prices paid in feather currency. Santa Cruz Island never sends its women abroad under any circumstances. Formerly, these women came to Santa Cruz both as wives and as concubines. The concubines were clearly distinguished from wives by the fact that they were shared by a group of men in a form of polyandry; they did no gardening or other domestic tasks normally assigned to women; and while they enjoyed a specially favored social position, they could be purveyed as prostitutes, sold outright, or even killed by the will of their owners alone. Bride prices for concubines were much higher than for ordinary wives—ten times higher to be exact. Due to government regulations, wives only are brought to Santa Cruz Island nowadays, but these are the prestigeful marriages, and their bride prices are larger than those of domestic unions.

This one-way movement of women is correlated with an interesting population phenomenon. Santa Cruz Island population statistics reveal an abundance of males as compared with females of marriageable age, while in the Reef Islands the ratio is nearly even. This abundance of men is a phenomenon which has been noted in other Melanesian and New Guinea populations, but it has neither been investigated nor explained.

The Duff Islands in the extreme northeast corner of the group come into the economic picture, not by sending out women, but by being specialists in making large sailing canoes in which cargos and passengers are transported interisland. These canoes are mainly sold to the Polynesian-speaking people of the small atolls of the Western Reef Islands who make their money by voyaging and trading throughout the group. Formerly, they sailed as far as the southern islands of Vanikoro and Utupua, ninety miles south of Santa Cruz Island. These islands depended upon receiving ground shell discs and special lengths of loom-woven fabric of banana fiber, specialties of certain districts of the Reef and Santa Cruz Islands, which were used as currency there. For these they traded feathers used on Santa Cruz Island for the making of feather currency. These shell and fabric currencies of Vanikoro and Utupua have no currency value in the island where they were made, and feather currency has no value in the former islands.

The Santa Cruz Group has a long history of contact with European civilization, beginning with Mendaña's second voyage in 1595. For the most part, however, the early contacts had little effect on the islanders, but were disastrous for the Europeans. Mendaña himself and many of his company died on Santa Cruz Island, Carteret lost some of his men there also when he attempted to land, La Perouse and his entire expedition perished on Vanikoro, and late in the nineteenth century Commodore Goodenough and a dozen Anglican missionaries, including one bishop, met death in several attempts to bring this island group within the confines of the British Empire and Christendom.

From 1900 onward the situation began to change. The few recruits who had gone away to work on plantations, and schoolboys who had gone away to mission schools returned